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Stephen S. Rosenfeld

How Much Is Moscow Spending?

One of the Reagan administration's truly underpraised feats of political legerdemain is its success in convincing the American people and Congress that Soviet power is not merely great and threatening but is constantly becoming more so and at a menacing rate. For it is this impression of relentless, implacable growth in Soviet military programs that provides the emotional fuel for the administration's own tremendous defense surge.

From the best estimates available to us, however, it is necessary to say that this impression is apparently without foundation: On the contrary, the best estimates available come from the CIA, and the CIA has made public a new estimate suggesting that although there has recently been "some acceleration in the rate of increase in Soviet defense spending," the rate remains near the 2 percent-a-year level that has been noted since 1976. Earlier, estimated growth in total Soviet defense spending had averaged 4 or 5 percent a year—to most people, a more alarming figure.

The Pentagon puts out its own numbers. Last June its in-house Defense Intelligence Agency reported preliminary estimates much higher than the CIA's. But there are a couple of things to be said for the credibility of the CIA estimates. The CIA alone subjects its methods as well as its results in this field to criticism from outside as well as inside the government. Moreover, the CIA is currently run by one of the original Reaganites, William Casey, a partisan hard-liner who is just about the last person you would suspect of coming in low on Soviet military spending. Maybe he's wincing, but

he's entitled to wear the new figures as a badge of analytical courage.

But, you ask with some lingering incredulity, are the CIA and the Reagan administration as a whole not aware that estimates of defense spending, though offered in the context of analysis, immediately enter a context of politics. They will inevitably be used against the administration's defense requests. It's happened before with earlier CIA numbers, and it's sure to happen again now.

Sen. William Proxmire, chairman of the Joint Economic Committee, releasing an unclassified version of the latest CIA testimony on the Soviet economy, declared that "it is time for Washington to take official notice that Soviet military procurement has been stagnant for the past seven years and to stop acting like nothing has changed." He's right. Let the debate roll.

The Kremlin spends heavily on defense and continues to strengthen its military capabilities, the CIA asserts. This was so even in the 1976-83 period, which it measures in its latest report—the period when defense increases had fallen into the 2 percent zone. As before, the agency suggests that "the main source of slower growth in defense spending was a stagnation in spending for military procurement after 1976." Less hardware.

Why did Soviet procurement growth stop? "We would note that the stagnation in the level of procurement lasted for at least 7 years—from 1977 to 1983. This plateau arguably lasted too long to be the result exclusively of bottlenecks or technological problems. In a period so long, the leader-

ship of the Soviet Union could have used its control of industrial priorities to ensure a higher rate of growth of military procurement. Older-generation weapons could have been kept in production while problems with new systems were ironed out, or once the problems were overcome, the new systems could have been produced at catchup rates. We believe they chose to pursue neither alternative.

"In deciding to hold procurement growth down the Soviet leadership in the mid-1970s may have viewed the external threat as manageable and the existing high level of procurement as enough, possibly recognizing that the U.S.S.R. was entering a period of generally slower economic growth and counting on a continuation of the decline in U.S. military spending..."

In 1983, a year of "marginal" overall economic growth in the Soviet Union, a "modest" increase in defense spending was detected. The CIA says it needs another year to see what it means. "Certainly the pressure to step up defense procurement must be intense given the state of Soviet-American relations and the recent increases in U.S. spending on military hardware," the agency relates. "But a decision on increasing the rate of growth of defense spending has to be a tough one... [lower than the American rate any of the last six years]. Accelerating defense spending to a rate of 5 percent a year... would jeopardize Soviet prospects for anything but minimal improvements in consumption levels."

Guns vs. butter. That's the question, isn't it?